

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|----------------------------------|---|------------|
| APPLICATION OF COLUMBIA GAS OF |) | CASE NO. |
| KENTUCKY, INC. FOR AN ADJUSTMENT |) | 2016-00162 |
| IN RATES |) | |

ORDER

On December 22, 2016, the Commission entered an Order approving new rates for Columbia Gas of Kentucky, Inc. (“Columbia”) and set forth the new rates and charges in Appendix B to that Order. Included in Appendix B was the gas cost commodity rate of \$2.8998 per Mcf approved by the Commission in Columbia’s most recent Purchased Gas Adjustment filing in Case No. 2016-00381.¹ On January 6, 2017, Columbia filed revised tariff sheets reflecting the rates and charges as approved by the Commission except for a gas cost commodity rate of \$2.9121 per Mcf. Subsequently, on January 17, 2017, Columbia filed a detailed schedule demonstrating that the \$2.8998 per Mcf gas cost commodity rate as approved by the December 22, 2016 Order reflected the gas cost uncollectible charge approved in Case No. 2013-00167,² and not the new level of gas cost uncollectible charge as approved by the Order in this

¹ Case No. 2016-00381, *Purchased Gas Adjustment Filing of Columbia Gas of Kentucky, Inc.* (Ky. PSC Nov. 21, 2016).

² Case No. 2013-00167, *Application of Columbia Gas of Kentucky, Inc. for an Adjustment in Rates for Gas Service* (Ky. PSC Dec. 13, 2013).

proceeding.³ Correcting for this omission results in a gas cost commodity rate of \$2.9121 per Mcf.

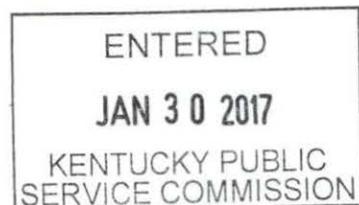
The Commission, having reviewed the revised tariff sheets and schedule filed by Columbia, finds that the correct gas cost commodity rate is \$2.9121 per Mcf based on the new uncollectible accrual rate, and that the December 22, 2016 Order should be amended to reflect the correct rate.

IT IS THEREFORE ORDERED *nunc pro tunc* that:

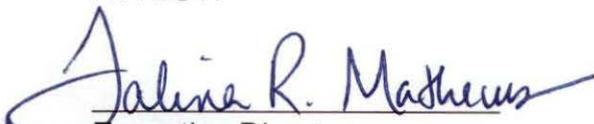
1. Appendix B to the December 22, 2016 Order is amended by deleting the erroneous gas cost commodity rate of \$2.8998 per Mcf and adding the correct gas cost commodity rate of \$2.9121 per Mcf.

2. The rates set forth in the Appendix to this Order shall replace those set forth as Appendix B to the December 22, 2016 Order.

By the Commission



ATTEST:


Executive Director

³ In Case No. 2009-00141, *Application of Columbia Gas of Kentucky, Inc. for an Adjustment in Rates* (Ky. PSC Oct. 26, 2009), Columbia received approval to add a provision to its Gas Cost Adjustment clause to include in the calculation of its Expected Commodity Gas Cost the uncollectible accrual rate used to establish rates in Columbia's most recent rate case.

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2016-00162 DATED **JAN 30 2017**

The following rates and charges are prescribed for the customers served by Columbia Gas of Kentucky. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to December 22, 2016.

| | <u>Base Rate</u> <u>Charge</u> | <u>Demand</u> | <u>Gas Cost</u> <u>Commodity</u> | <u>Total Billing</u> <u>Rate</u> |
|--------------------------------|-----------------------------------|---------------|-------------------------------------|-------------------------------------|
| <u>Sales Service</u> | | | | |
| <u>Rate Schedule GSR</u> | | | | |
| Customer Charge | \$16.00 | | | \$16.00 |
| Delivery Charge per Mcf | \$3.5665 | \$1.8111 | \$2.9121 | \$8.2897 |
| <u>Rate Schedule GSO</u> | | | | |
| Customer Charge | \$44.69 | | | \$44.69 |
| Delivery Charge per Mcf | | | | |
| First 50 Mcf or less | \$3.0181 | \$1.8111 | \$2.9121 | \$7.7413 |
| Next 350 Mcf | \$2.3295 | \$1.8111 | \$2.9121 | \$7.0527 |
| Next 600 Mcf | \$2.2143 | \$1.8111 | \$2.9121 | \$6.9375 |
| Over 1,000 Mcf | \$2.0143 | \$1.8111 | \$2.9121 | \$6.7375 |
| <u>Rate Schedule IS</u> | | | | |
| Customer Charge | \$2007.00 | | | \$2007.00 |
| Delivery Charge per Mcf | | | | |
| First 30,000 Mcf | \$.6285 | | \$2.9121 | \$3.5406 |
| Next 70,000 Mcf | \$.3737 | | \$2.9121 | \$3.2858 |
| Over 100,000 Mcf | \$.3247 | | \$2.9121 | \$3.2368 |
| Firm Service Demand Charge | | | | |
| Demand Charge times Daily Firm | | | | |
| Volume (Mcf) in Customer | | | | |
| Service Agreement | | \$6.8133 | | \$6.8133 |
| <u>Rate Schedule IUS</u> | | | | |
| Customer Charge | \$567.40 | | | \$567.40 |
| Delivery Charge per Mcf | | | | |
| For All Volumes Delivered | \$1.1544 | \$1.8111 | \$2.9121 | \$5.8776 |

| | <u>Base Rate</u> <u>Charge</u> | <u>Gas Cost</u> <u>Demand</u> | <u>Commodity</u> | <u>Total Billing</u> <u>Rate</u> |
|---|-----------------------------------|----------------------------------|------------------|-------------------------------------|
| <u>Transportation Service</u> | | | | |
| <u>Rate Schedule DS</u> | | | | |
| Customer Charge | | | | \$2007.00 |
| Customer Charge (GDS only) | | | | \$44.69 |
| Customer Charge (IUDS only) | | | | \$567.40 |
| Delivery Charge per Mcf | | | | |
| First 30,000 Mcf | \$.6285 | | | \$.6285 |
| Next 70,000 Mcf | \$.3737 | | | \$.3737 |
| Over 100,000 Mcf | \$.3247 | | | \$.3247 |
| -Grandfathered Delivery Service | | | | |
| First 50 Mcf or less | | | | \$3.0181 |
| Next 350 Mcf | | | | \$2.3295 |
| Next 600 Mcf | | | | \$2.2143 |
| All Over 1,000 Mcf | | | | \$2.0143 |
| Banking and Balancing Service | | | | |
| Rate per Mcf | | \$.0209 | | \$.0209 |
| <u>Rate Schedule MLDS</u> | | | | |
| Customer Charge | | | | \$255.90 |
| Delivery Charge | | | | \$.0858 |
| Banking and Balancing Service | | | | |
| Rate per Mcf | | \$.0209 | | \$.0209 |
| <u>Rate Schedule SVGTS</u> | | | | |
| <u>General Service Residential</u> | | | | |
| Customer Charge | | | | \$16.00 |
| Delivery Charge per Mcf | | | | \$3.5665 |
| <u>General Service Other - Commercial or Industrial</u> | | | | |
| Customer Charge | | | | \$44.69 |
| First 50 Mcf or less | | | | \$3.0181 |
| Next 350 Mcf | | | | \$2.3295 |
| Next 600 Mcf | | | | \$2.2143 |
| Over 1,000 Mcf | | | | \$2.0143 |

(Rate Schedule SVGTS cont.)

Intrastate Utility Service

| | |
|-------------------------|----------|
| Customer Charge | \$567.40 |
| Delivery Charge per Mcf | \$1.1544 |

Accelerated Main Replacement Program
(Per customer per month)

| | |
|---|--------|
| Rate GSR, Rate SVGTS – Residential Service | \$0.00 |
| Rate GSO, Rate GDS, Rate SVGTS – Commercial or Industrial Service | \$0.00 |
| Rate IUS, Rate IUDS | \$0.00 |
| Rate IS, Rate DS, ⁴ Rate SAS | \$0.00 |

⁴ Excluding customers subject to Flex Provisions of Rate Schedule DS.

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